Saskatchewan
Agriculture

Annual Report
1985

Saskatchewan Natural Products Marketing Council

86-03332/

ANNUAL REPORT

1985

SASKATCHEWAN NATURAL PRODUCTS MARKETING COUNCIL

Duties of Council

The Natural Products Marketing Council was established under The Natural Products Marketing Act, R.S.S. 1978. This Act allows for the creation of marketing boards and marketing commissions for farm products in Saskatchewan. The duties of the Natural Products Marketing Council as outlined in section 7 of the Act include:

(a) advise the Minister on all matters relating to the establishment and operation of boards, commissions, and any agencies empowered to act under this Act;

(b) be responsible to the Minister for the operation and administration of boards and commissions and for that purpose, shall make and enforce such regulations as may from time to time be approved by the Lieutenant Governor in Council;

(c) conduct or supervise votes on marketing plans as required by the Lieutenant Governor in Council or the Minister;

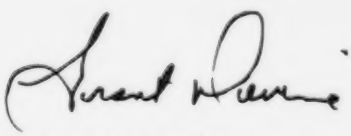
(d) perform such other duties relating to the marketing of natural products as the Minister may require.

To His Honour
The Honourable Fredrick W. Johnson
Lieutenant Governor of the Province
of Saskatchewan

Sir:

I have the honour to submit the 1985 Annual Report of the Saskatchewan Natural Products Marketing Council.

Respectfully submitted,



Grant Devine
Premier and
Minister of Agriculture

Honourable Grant Devine
Premier and
Minister of Agriculture
Legislature of Saskatchewan
REGINA, Saskatchewan
S4S 0B3

Dear Premier Devine:

In accordance with section 10 of The Natural Products Marketing Act, I submit herewith the Annual Report of the Natural Products Marketing Council for 1985.

Respectfully submitted,

Ken Rosaasen

Ken Rosaasen, Vice-Chairman
Natural Products Marketing Council

Saskatchewan Natural Products Marketing Council Members

(as of December 31, 1985)

Mr. Fred Switzer, Chairman, Regina (resigned effective February 14, 1985)
Mr. Ken Rosaasen, Vice-Chairman, Saskatoon
Mr. Al Mulhern, Meyronne
Mr. Fred Stokes, Dubuc
Mr. J.F. Stueck, Balcarres
Mrs. Shirley Warden, Regina

Staff

Mr. Terrence G. Scott, Secretary, January to August
Mr. Roydon G. White, Secretary, September to December

Council Office

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INTRODUCTION

Council's issues and activities in 1985 included:

- A plebiscite and subsequent establishment on August 12, 1985 of the Saskatchewan Broiler Hatching Egg Producers' Marketing Plan;

- A review of preliminary proposals of the Broiler Hatching Egg Board for a set of Orders to administer the Plan;

- An extensive review of the proposal by the Vegetable Marketing Commission requesting that the Commission be replaced by a producer-elected marketing board with the authority to fund research and development initiatives through a producer checkoff;

- An investigation and subsequent hearing on an appeal by a producer against the removal of his name from the Chicken Marketing Board quota waiting list;

- Recommendation to the three poultry boards that quota waiting list policy be standardized to protect the interests of prospective producers upon periodic revision and updating of lists;

- Maintenance of a positive relationship with boards and commissions and ensuring that they operated within the terms of reference contained in their respective marketing plans;

- Advising the Minister of Agriculture on issues concerning the marketing of natural and agricultural products;

- Council experienced a year of transition in personnel:

  a. a change in the Minister of Agriculture from Dr. Lorne H. Hepworth to Premier Grant Devine,

  b. the resignation of Council Chairman Fred Switzer, and

  c. the appointment of Roydon White as full time Secretary.

Council took an active role in organizing and participating in discussions of the chicken industry. Council, government and industry representatives attended a marketing meeting convened on October 10, 1985 to address Saskatchewan's challenge of expanding to self-sufficiency in production and processing of chicken. Council maintained its support at the meeting for encouraging development of the chicken processing industry and the subsequent production expansion necessary to allow new entrants to participate in growth.

Council strives to balance the needs of the producer and the public in fulfilling its mandate of advising the Minister of Agriculture and supervising the operations of boards and commissions under authority of The Natural Products Marketing Act.

SUPERVISION OF MARKETING BOARDS AND COMMISSIONS

In 1985 the Natural Products Marketing Council was responsible to the Minister of Agriculture for the operation and administration of the following marketing boards and commissions under The Natural Products Marketing Act:

The Saskatchewan Broiler Hatching Egg Producers' Marketing Board

The Saskatchewan Chicken Marketing Board

The Saskatchewan Commercial Egg Producers' Marketing Board

The Saskatchewan Turkey Producers' Marketing Board

The Saskatchewan Pork Producers' Marketing Board

The Saskatchewan Sheep and Wool Marketing Commission

The Saskatchewan Vegetable Marketing Commission

The Saskatchewan Pulse Crop Development Board

In order to fulfill its responsibility for the operation of these boards and commissions, Council engaged in the following activities:

1. The minutes of meetings of boards and commissions were reviewed;

2. Council representatives attended meetings of boards and commissions and reported back to Council;

3. Joint meetings of Council with officials of marketing boards and commissions;

4. Council members attended the annual meetings of the poultry marketing boards.

5. Council reviewed the annual reports of the boards and commissions; and

6. Council members attended a special marketing meeting with representatives of the chicken processing industry, the Chicken Marketing Board and the Department of Agriculture.

The Natural Products Marketing Council reports that the marketing boards and commissions met their obligations under The Natural Products Marketing Act in 1985.

APPROVAL OF BOARD AND COMMISSION MARKETING ORDERS

Marketing boards and commissions exercise certain powers granted to them by their marketing plans through marketing orders. These orders require Council approval. Council reviewed and approved the orders listed below in 1985:

Saskatchewan Commercial Egg Producers' Marketing Board

Order No. 27/85 - Unified Levy and Interest Charges:

Purpose: The Order unifies the Canadian Egg Marketing Agency operating levy with the Saskatchewan Board operating levy into one weekly levy payment in order to streamline and stabilize producer payments.

Saskatchewan Pulse Crop Development Board

Order No. 1/85 - Exemptions:

Purpose: The Order removes the exemption of sales from one producer to another producer thus treating all seed sales the same in terms of checkoff collection.

NEW MARKETING PLANS REVIEWED IN 1985

Under The Natural Products Marketing Act, plans for new marketing boards are referred by the Minister of Agriculture to the Natural Products Marketing Council for review and recommendation. In 1985, Council acted on two new plans for the establishment of marketing boards.

Saskatchewan Broiler Hatching Egg Producers' Marketing Plan

The Saskatchewan Broiler Hatching Egg Producers' Association first requested a Broiler Hatching Egg Producers' Marketing Plan from the Minister of Agriculture under the The Natural Products Marketing Act in 1983. The proposed plan called for a producer-elected marketing board to market Saskatchewan broiler hatching eggs under a supply management system. The Board would use funds generated by a compulsory checkoff on eggs marketed to finance administration of the Plan.

Council reviewed and studied the Broiler Hatching Egg Producers' Marketing Plan and recommended to the Minister of Agriculture that the Broiler Hatching Egg Plan be put to a vote of producers.

The question of establishing the Plan was voted on by producers on June 20, 1985. The results of the ballots indicated that 100 percent of those who voted were in favour of the establishment of the Plan. The Natural Products Marketing Act requires that no less than 60 percent of voting producers must be in favour of establishment of the Plan.

Cabinet Order-in-Council No 898/85, dated August 9, 1985, approved the Saskatchewan Broiler Hatching Egg Producers' Marketing Plan Regulations, establishing the Plan, effective August 12, 1985. A full set of Orders for the administration of the Plan were being developed at year-end.

Saskatchewan Vegetable Marketing Plan

In March of 1985, the Saskatchewan Vegetable Marketing Commission submitted a request to the Minister of Agriculture for a vote by producers on a proposed Vegetable Marketing Plan. The Commission had proposed two fundamental changes from the current administration: (1) that a producer checkoff be established on

commercial vegetable sales in order to fund research and development initiatives, and (2) that the appointed Commission be replaced by a producer-elected board in order to encourage more participation from producers in the administration of the Plan. Council reviewed the Plan and met with the Commission to discuss in detail the purpose and benefits of the Plan. A decision as to whether the proposed Plan would be put to a vote of producers had not been made at year-end 1985.

APPEALS UNDER THE ACT

The Natural Products Marketing Act allows any person aggrieved by a decision of a marketing board or marketing commission to appeal the matter to the Natural Products Marketing Council. Council hears the parties involved, and makes a ruling on the appeal. Council received one appeal during 1985.

In April of 1985, Council received an appeal from a producer in respect to a decision that the Chicken Marketing Board had made in 1978 to remove his name from the quota waiting list. This removal took place during an update of the waiting list. A subsequent expansion of chicken quota to new producers prompted the appellant to discover his name had been removed from the list in 1978.

Council reviewed the case and met with the producer and the Chicken Marketing Board. Council determined that the Board had removed the producers' name from the waiting list without having taken all reasonable steps to contact persons whose names were removed during the 1978 update. Council therefore directed the Chicken Marketing Board to return the appellant's name to the quota waiting list.

As a result of the appeal decision Council proceeded to obtain the co-operation of the poultry marketing boards in revising their quota waiting list policies. These revisions should enable the marketing boards to deal with the updating of quota waiting lists in a more acceptable manner.

BOARD AND COMMISSION OPERATIONS

The Saskatchewan Broiler Hatching Egg Producers Marketing Board

The Saskatchewan Broiler Hatching Egg Producers Marketing Plan was established on August 12, 1985 under the authority of the Natural Products Marketing Act. The provisional board of directors include:

Mervyn Slater, Chairman, Tramping Lake

Gerald Leduc, Assiniboia

Ralph Issac, Saskatoon

G.J. Novak, Manager, White City

The Board is required to hold an election before August 12, 1986 to establish the first elected board of directors. Upon approval of the Natural Products Marketing Council the Board will be establishing a full set of Orders under the Plan in order to allot initial quota, administer the collection of a levy and manage the supply of broiler hatching eggs in Saskatchewan.

THE SASKATCHEWAN CHICKEN MARKETING BOARD

The Directors of the Saskatchewan Chicken Marketing Board for 1985 were:

Charles Stueck, Chairman, Abernethy

John Reddekopp, Vice-Chairman, Dalmeny

Ray Hayko, Director, Regina

Phil Stilborn, Director, Balcarres

Dave Keet, Director, Vanscoy

G.J. Novak, Manager, White City

The Saskatchewan Chicken Marketing Board, in conjunction with The Canadian Chicken Marketing Agency, regulates the quantity of chicken produced in Saskatchewan. The Saskatchewan Board sets the price of chicken through negotiation with poultry processors. The objective of the Board is to improve and stabilize producer returns by managing product supplies.

Producer Numbers

There were 67 producer licenses issued in 1985. Five transfers were approved by the Board, which involved a total of 52,130 broilers and 34,000 roasters.

Distribution of Quota Holdings

	Jan. 1 1983	Jan. 1 1984	Jan. 1 1985	Jan. 1 1986
1,000 to 9,999	2	2	3	4
10,000 to 14,999	23	22	25	9
15,000 to 19,999	9	12	11	30
20,000 to 29,999	8	7	6	9
30,000 to 39,999	8	6	6	6
40,000 birds or more	9	9	9	9
Total Registered Broiler Growers	59	58	60	67
Roasters only	6	5	5	3

The quota base is presently 1.6 million birds/cycle at 1.77 kg with six cycles per year, plus roasters 216,040/year and cornish hens 79,700/ year.

Year	Type of Bird	No of Birds	Weight (kgs)	Ave. Bird Weight (kgs)
	Broilers			
1982		6,174,471	10,597,000	1.71
1983		7,016,100	12,150,000	1.73
1984		7,925,455	14,023,000	1.77
1985		8,378,260	14,861,800	1.77
	Roasters			
1982		100,553	306,100	3.04
1983		115,580	352,700	3.05
1984		171,928	529,700	3.08
1985		212,148	656,300	3.23

Percent increase 1984-85: Broilers - 5.5%
Roasters - 20%

Total dollar value of chicken production from registered growers was slightly less than 1984, due to lower producer prices throughout the whole year.
Total Paid to Producers:

Year	Value	Production
1983	$14.1 million	12,502,700 kg
1984	$17.8 million	14,552,700 kg
1985	$17.8 million	15,518,100 kg

Prices (all prices in $/kg live weight)

Eight price changes occured in 1985:

January 7 - prices declined to $1.15 1/2;
February 4 - prices declined to $1.13 1/2;
March 18 - prices declined to $1.11 1/2;
April 22 - prices declined to $1.07 1/2
May 27 - prices increased to $1.09 1/2;
July 8 - prices increased to $1.11 1/2;
July 15 - prices increased to $1.13 1/2;
September 3 - prices declined to $1.10 1/2.

Producer Levies

The 1985 checkoff stayed constant at 1.025 cents/kg of which CCMA's share is 0.2816 cents/kg. The checkoff produced $161,323.00 of which $44,320.00 was collected for CCMA.

Quota Allocation

The allocation to Saskatchewan of 16,715,000 kg of live chicken prompted an expansion. By July 1st the industry expanded its base from 1,427,145 broilers per cycle to 1,582,550; a 10 percent increase. Percentage allocation of base quota to producers was as follows:

Period #1 - 90% Period #2 - 95% Period #3 - 100%

Period #4 - 100% Period #5 - 95% Period #6 - 85%

The first three periods were calculated on the base of 1.4 million head. The last three periods were calculated on the new base of 1.6 million head per cycle. Preliminary figures indicate that Saskatchewan production has fallen short by 7.5 percent of the allocation by the national agency for 1985.

Producer Extension Program

The Saskatchewan Department of Agriculture provides core funding for the grower extension program operated for the three poultry boards by the Western College of Veterinary Medicine and the Department of Animal and Poultry Science at the University of Saskatchewan. Three regional seminars were held in 1985 and 43 registered producers took advantage of the seminars. The Chicken Board's share of funding in 1985 for the program was $5,750.

Promotion

The Board, under agreement with "Just Chicken" (Wayne and Raylene Flaten), continues to conduct barbecues which in 1985 cooked 15,442 halves of chicken. Approximately 5,000 pieces of literature (cookbooks and recipes) were mailed out to schools and institutions. Through the month of November the processors co-operated by distributing point of sale material as well as manning a booth at the Western Agribition.

Industry Expansion

Council continued to encourage the Board to utilize its entire quota allocation. Saskatchewan's allocation had expanded 11.3 percent or 1.24 million kg (eviscerated) from 1984 to 1985. As a result the Board was pleased to offer permanent quota to four new producers.

THE SASKATCHEWAN COMMERCIAL EGG PRODUCERS' MARKETING BOARD

The Directors of the Saskatchewan Commercial Egg Producers' Marketing Board for 1985 were:

Don Guenter, Chairman, Saskatoon
Stanley Fehr, Vice-Chairman, Hague
Linda Boxall, Director, Regina
Harry Waddell, Director, Humboldt
Keith Colborn, Director, Delisle

Ursula Winkler, Interim Manager, December 1985, Regina
Everett Ritson, Manager, January to November, 1985, Regina

The Saskatchewan Egg Board, in conjunction with the Canadian Egg Marketing Agency, manages the quantity of eggs produced in Saskatchewan for the table-egg market and sets the price of eggs. The board's objective is to improve and stabilize producer returns.

Production and Marketing

The following table gives a historical record of the number of registered producers, along with their marketings and the value of those marketings:

Year	Producers	Marketed (million doz)	Value of Marketings ($ million)
1980	116	13.80	10.83
1981	104	14.27	12.70
1982	104	14.19	12.65
1983	100	14.21	12.93
1984	99	13.83*	12.49*
1985	92	14.37	12.50

* Revised

Quota Allocation

The total layer quota of 700,172 layers in the commercial flock improved only slightly from the 1984 figure of 700,116 layers.

Flock Size	Number of Producers January 1, 1984	January 1, 1985
300- 500	2	1
501- 1,000	11	8
1,001- 3,000	20	18
3,001- 5,000	26	23
5,001-10,000	20	19
10,001 and over	20	23
	99	92

Promotion Activities

Promotional activities remained at the same level as in 1984. The Egg Board supplemented media advertising undertaken by the Canadian Egg Marketing Agency, and participated in trade shows and restaurant promotions in order to increase table-egg consumption.

Producer Extension Program

Extension activity remained as a jointly-funded program with the Chicken and Turkey Marketing Boards also sharing in the cost of poultry extension provided by the University of Saskatchewan.

The poultry industry was pleased to recognize that recent expansions at the University of Saskatchewan have included a new barn for poultry research which came into operation in 1985.

THE SASKATCHEWAN TURKEY PRODUCERS' MARKETING BOARD

The Directors of the Saskatchewan Turkey Producers' Marketing Board in 1985 were as follows:

Dennis Billo, Chairman, Bruno

Perry Kirkham, Vice-Chairman, Saltcoats

Jack Rynsberger, Director, Melville

Ed Rosenberg, Director, Humboldt

Fred Kurulak, Director, Biggar

Fred Longstaff, Manager, Regina

The Saskatchewan Turkey Board participates in the Canadian Turkey Marketing Agency to manage the quantity of turkey produced in Saskatchewan. The Board also establishes the price at which turkeys produced in Saskatchewan are sold. The objective of the Board is to improve and stabilize producer returns.

Production and Marketing

The following table gives an historical account of registered producers, along with their production and the value of production:

Year	Producers	Production (tonnes evisc.)	Value Production (000's of $)
1979	25	3,892	$4,800
1980	25	3,814	5,510
1981	26	3,382	5,800
1982	22	3,783	6,617
1983	22	3,730	6,266
1984	23	3,780	6,836
1985	23	3,854	6,900

In 1985, total marketings by Saskatchewan producers were 3,854,435 kgs (eviscerated), with a total value of $6,899,623. Average producer price in 1985 was $1.48 per live kg, down from $1.50 in 1984.

The disposition of marketings on an eviscerated basis is shown in the following table:

		Kilograms	Percentage
In-Province	- Sask.	2 393 687	62
Out-of-Province	- Alberta	923 846	24
	- Manitoba	536 902	14
Total Marketings in 1985		3 854 435	100

Summary for 1985

The year 1985 was a profitable year for all segments of the industry. Although feed costs were high in early 1985, they declined and then stabilized during 1985 allowing the producers a reasonable return on investment.

Outlook for 1986

Year-end Canadian inventories returned to a normal amount of 12,488,000 kgs; up from a low of 8,555,000 kgs at the beginning of the year. Growth potential in the industry appears to be in the institutional trade and in further processed products. Producers are gearing production to fill that demand.

THE SASKATCHEWAN VEGETABLE MARKETING COMMISSION

The Directors of the Saskatchewan Vegetable Marketing Commission in 1985 were:

William Childerhose, Chairman, Outlook

Eugene Johns, Director, Henribourg

Carl Larson, Director, Radville

Don Dabbs, Director, Saskatoon

Kim MacDougall, Director, Lumsden

Directional Change

Development of a new marketing plan was completed in 1985 and the question of a producer plebiscite is now being considered. The activities of the Commission are being handled by the directors with part-time help being hired as needed.

Information Services

Price information continues to be sent to all producers in the Province along with other information of assistance relating to marketing and planning.

Status of Industry

1985 proved to be a difficult production year for the vegetable industry due to a cold August and early severe frost in September. The Commission, on behalf of the growers, has opened a dialogue with the Department of Agriculture to establish a crop insurance program for vegetable producers.

National Potato Marketing Agency

The original concept of a Western Agency has developed into national discussions between provinces and the Federal Government. Progress has been gradual as the interests of all provinces must be considered in the development of a national plan.

THE SASKATCHEWAN SHEEP AND WOOL MARKETING COMMISSION

The Directors of the Sheep and Wool Marketing Commission for 1985 were:

Dale Donald, Chairman, Rockhaven
Colleen Sawyer, Vice-Chairman, Saskatoon
Leslie Flaig, Director, Tompkins
Ed MacCallum, Director, Swift Current
Donald Paterson, Director, Marsden
Larry Sothmann, Director, Elrose

Jim Koal, General Manager, Saskatoon

The Sheep and Wool Commission provides a marketing service for producers who wish to have the Commission market their sheep and wool. The Commission also administers a checkoff on sheep and wool which is used to fund activities to promote and develop the sheep industry and pay part of the Commission's costs of operation.

Summary of Sheep and Lamb Marketings

The following is a summary of the marketings of the Sheep and Wool Commission in 1985, as compared with 1984 and 1983:

	1985	1984	1983
No. of Lambs Marketed	9,249	12,967	12,727
Average Gross Value per Head	$79.96	$66.42	$63.37
Average Selling Cost per Head	$5.53	$5.41	$4.71
No. of Sheep Marketed	1,601	2,605	2,673
Average Gross Value per Head	$37.27	$27.67	$34.51
Average Selling Cost per Head	$5.88	$5.62	$5.38

Summary of Sheep and Lamb Marketings (table continued)

	1985	1984	1983
Total No. of Sheep & Lambs Marketed	**10,850**	**15,572**	**15,400**
Total Gross Value	$799,176	$933,358	$898,823
Total Selling Cost	$60,569	$84,847	$87,046
Average Selling Cost per Head	$5.58	$5.44	$5.65

Lamb Marketing

The year 1985 saw a reduction in the number of animals marketed. Although numbers were down, the Commission did market on behalf of more producers.

Current economic times have had a depressing affect upon the sheep industry. Two of the biggest flocks in Saskatchewan went out of production in 1985.

The Commission moved very few lambs to Lambco at Innisfail, Alberta in 1985. Although Lambco has set the price, they have incurred a great deal of pressure in sales to retail buyers, especially in Eastern Canada. By mid-summer an increased flow of Australian fresh lamb started coming into Canada undermining Lambco's volume of "feature" sales. Once New Zealand realized that Australia was doing this they backed off their gentlemen's agreement with Canada Sheep Council not to ship fresh lamb, and they resumed their efforts in this area of lamb marketing. This problem escalated as the year continued. As a result, Lambco has not been aggressive in buying lambs especially outside of Alberta.

In spite of these problems prices remained strong throughout summer and fall, but did not recover to 1984 highs at year-end 1985.

Sheepman's Supplies

Sales of sheepman's supplies were low in 1985. A large percentage of producers made their initial purchases when the Commission started handling supplies. Sales are also down due to the economic times. This has been unfortunate in that revenue from these sales helps to offset the Commission's costs of operation.

National Tripartite Stabilization

The Commission was pleased to enter into a discussion on a National Tripartite Stabilization Agreement in 1985. Under the agreement, producers, Federal and participating Provincial Governments contribute equally to a stabilization program which makes payments to producers when prices fall below established support levels.

THE SASKATCHEWAN PORK PRODUCERS MARKETING BOARD

The 1985 Board of Directors were:

Garth Larsen, Chairman, Semans
William Z. Neudorf, Vice-Chairman, Hague
Wayne Vermette, Kyle
Richard Wright, Wawota
Ken Jamieson, Battleford
Ken Wipf, Alysham
John Kirzinger, Leroy

Jim Morris, General-Manager, Saskatoon

The Board markets all slaughter hogs produced in Saskatchewan, provides production and marketing information to producers through the Board's regular newsletter, contributes toward research projects for hogs, promotes pork consumption and administers the Saskatchewan Hog Assured Returns Program for the Provincial Government.

1985 Marketing Summary

The marketings in 1985 of 819,672 head was an increase from 769,371 head in 1984. Although the number of active production units decreased slightly by 84 units from 5206 units in 1984, the total value of hogs increased.

1985 Marketing Highlights

	1985	1984
Total Hog Sales (No.)	819,672	769,371
Hogs settled by small plants and sow auctions	24,031	21,992
Total Saskatchewan Marketings	843,703	791,363
Active Production Units	5,122	5,206
Gross Paid to Producers	$97,195,209.85	$96,596,074.76
Weekly Delivery Highlights		
High - week ending Oct. 7/83	19,278	17,954
Pool Price that Week	$ 70.52	$68.30
Low - week ending May 27/83 (excluding Christmas week)	12,232	9,246
Pool Price that Week	$65.30	$65.45

Average Weekly Deliveries	15,426	14,450
Grading Highlights		
Average Index (excluding 67's)	103.40	102.83
% Hogs Grading 102 and over	75.90	72.15
Average Hog Weight, Dressed, Pounds	174.80	175.66
Price Highlights		
Average Hog Price per cwt., dressed	$65.53	$69.35
High - Pool Price Week ending Dec. 2	$72.82	$78.03
Low - Pool Price Week ending April 22	$56.59	$60.70
Average Sow Price (per cwt., dressed No. 1 heavy)	$44.28	$49.50
Average Gross Value per Hog	$118.47	$125.25
Boar Sales		
Number Sold	4,004	3,235
Total Value	$520,108.22	$458,853.83

Destination of Hogs

Intercontinental Packers, Saskatoon, slaughtered 79.49 percent, 8.6 percent was sold to U.S. buyers and roughly eight percent was sold to other provinces. Pork meat sales totalled 13.5 million pounds which was custom killed, on the Board's behalf, at Intercontinental Packers, Saskatoon. An additional 2.3 million pounds of sow carcasses were processed at Moose Jaw Packers.

DESTINATION OF HOGS, SOWS, BOARS

Destination	Quantity	Percent
Intercon, Saskatoon	651,589	79.49
Saskatchewan Small Plants	25,557	3.12
Alberta	5,217	0.64
Manitoba	66,898	8.16
U.S.A.	70,411	8.59
Totals	819,672	100.00

Pork Promotion

Pork promotion is ongoing throughout the year. A substantial portion of the promotion program is aimed at distributing consumers information about the "new pork". Resource materials include a wide variety of recipe brochures, pork facts, films and

video tapes. These materials are available, at no cost, to the consuming public through a number of channels: primary and secondary schools, Farm Progress Show, Mexabition, Agribition, producer shows, school and industry-related conventions, and are available upon request to others.

The major thrust in 1985 was the fall retail campaign. The theme "Better than Ever Pork" portrayed a high profile image of pork in the major retail outlets in Saskatchewan. The program was supported by radio, newspaper and billboard advertising.

There are numerous dietary myths attached to pork--high cholesterol, etc., that have had an adverse effect on consumption levels. Part of the problem may be traced to outdated information in the Canadian nutrient file.

In Canada and the U.S. beef and pork consumption has been jeopardized by fish and chicken in light of new dietary trends in which white meat is perceived as "light" and red meat as "heavy". The pork production industry has recognized the levelling off of per capita consumption of pork and is gearing programs to combat the trend at both a provincial and national level.

Research Committee

The Committee's function is to initiate or support production related research projects and is funded by a 0.05 percent checkoff in addition to a one-time provincial government grant of $130,000. The Committee's operating fund as of December 31, 1985 was approximately $130,000.

1985 Market Review

International political and economic pressures prevented 1985 Canadian live hog prices from attaining anticipated levels. Imposition by the U.S. of a countervailing duty on Canadian live hogs in April reduced prices by an estimated $5.00 per hundredweight and the influx of Danish product compounded the price recession. Price erosion was tempered, however, by a favourable U.S. exchange rate.

The 1985 average hog price (dollars per hundredweight dressed, index 100) was $65.53 compared to the 1984 average of $69.35; the average sow price (dollars per hundredweight, #1 Heavy) was $44.20, down $5.30 compared to 1984.

Quarterly average hog prices did not adhere to traditional cyclical patterns with prices averaging $69.16, up $5.00 compared to the first quarter in 1984. Price increases usually experienced in the second and third quarters failed to materialize with averages of $60.49 and $64.42 respectively. Fourth quarter prices averaged $68.15.

The Board is anticipating slightly higher prices in 1986. First quarter prices should average between $66.00 and $69.00; in the second quarter, $65.00 to $68.00; prices should rise to between $72.00 and $75.00 in the third quarter; and decline to between $69.00 and $72.00 in the fourth quarter. The projections may be substantially altered, however, by fluctuating exchange rates and provincial, federal and international governmental policies.

Saskatchewan's 1985 marketings were up 6.5 percent to 819,682 hogs. This was the third successive annual production increase with the major portion of the increase occurring in the first three quarters of the year. Because of poor profit margins created by high feed costs, production dropped substantially in the fourth quarter.

THE SASKATCHEWAN PULSE CROP DEVELOPMENT BOARD

The Directors of the Saskatchewan Pulse Crop Development Board in 1985 were:

Ron Blais, Chairman, Delmas

Ron McKinnon, Vice-Chairman, Abernethy

Grant Carlson, Broderick

Keith Jones, Sedley

Ken Naber, Melfort

Earl Peters, Laird

Don Tait, Elrose

Donald Jacques, Secretary, Regina

The Saskatchewan Pulse Crop Development Board was formed in July, 1984. The general purpose of the Board is to provide for the orderly and effective development of the Saskatchewan pulse crop industry. Specific purposes are:

1. To promote and develop the pulse crop industry in Saskatchewan;

2. To develop procedures to maximize returns to producers of pulse crops;

3. To encourage the production of a uniform high quality product;

4. To gather, compile and distribute information related to the production, consumption and marketing of pulse crops;

5. To conduct or encourage research on the production, marketing, processing and consumption of pulse crops;

6. To promote and improve understanding among individuals and organizations within the pulse crop industry;

7. To work in co-operation with any person who has objectives similar to those of the Board; and

8. To establish a system of levies on pulse crops for the purpose of carrying out the objectives of the plan.

Activities of 1985

The Pulse Board got underway early in 1985 by hiring Donald Jacques as administrator. Producers, companies and other persons known to deal in the production and marketing of pulse crops were registered and entered on the mailing list.

A research committee was established and funding was approved on four projects in June, 1985. The major source of funding for three of these four projects was obtained through the Provincial Agricultural Development Fund. In August, 1985 funding was obtained from Agriculture Canada for the first stage of the domestic pulse development plan.

Rapid development in public relations occurred in 1985 as evidenced by the newsletter circulation which doubled to a level of over 1200 clients. Another 100 newsletters are distributed to Agricultural Representatives of Saskatchewan Agriculture.

NATIONAL MARKETING AGENCIES

The Natural Products Marketing Council is a signatory to federal-provincial agreements for chickens, turkeys, and eggs. National marketing agencies, consisting of producer representatives from each participating provincial commodity board, operate as a result of these agreements. The agencies manage the quantity of these products produced in Canada. The agencies include the Canadian Chicken Marketing Agency, the Canadian Egg Marketing Agency, and the Canadian Turkey Marketing Agency.

Each national agency allocates a Canadian quota among the participating provincial commodity boards, who in turn allocate their provincial allotments to individual producers within provincial boundaries. The national agencies target production to meet the market demand at a price which covers the average producer's costs and provides a reasonable return on investment. The Canadian Egg Marketing Agency prices eggs centrally, while the provincial commodity boards price chicken and turkeys.

As a signatory to each of the three federal-provincial marketing agreements, the Natural Products Marketing Council has duties relating to the operations of the national marketing agencies. Meetings of signatories to the agreements were held in 1985.

Canadian Chicken Marketing Agency (CCMA)

The Canadian Chicken Marketing Agency Signatories' Meeting was held on May 29, 1985.

Issues dealt with at the signatories' meeting included a progress report from a committee to update the original quota base for the national chicken plan. Signatories voted to request an amendment to the National Farm Products Agencies Act, Section 24, in order to allow periodic updating of the base. At year-end all three national poultry agencies (CCMA, CEMA and CTMA) had resolved to approach the federal Minister of Agriculture regarding the amendment to Section 24 of the national Act.

Also dealt with at the CCMA Signatories' meeting was the removal of production cutbacks as a preventative measure against provinces which overproduce their quota allocation. Agriculture Canada proposed this removal and proposed using only a monetary penalty against overproducing provinces. Most signatories supported the proposal. Saskatchewan opposed the proposal because a monetary penalty could result in provinces subsidizing overproduction and bonding requirements would be more stringent.

Signatories also discussed the over/under utilization of periodic quota allocation. CCMA proposed to apply the overproduction penalties on a periodic basis instead of on an annual basis for all provinces with more than five percent of the national quota. There was opposition to this proposal from the larger producing provinces, notably Ontario.

The Signatories meeting addressed the issue of first receivership for supplementary imports. Most signatories supported requesting the Federal Government to grant CCMA first receivership of supplementary imports. The CCMA argues that the chicken processors are applying to the Special Trade Relations Bureau for supplementary imports to earn a windfall on imported product (i.e. buy at U.S. prices and sell at supply-managed Canadian prices). The CCMA claims these supplementary imports are being brought in even though product is available in Canada. Some signatories including Saskatchewan did not support the proposal for first receivership, favouring further investigation before taking this particular action.

The Canadian Egg Marketing Agency (CEMA)

The Canadian Egg Marketing Agency Signatories meeting was held on May 28, 1985.

Issues discussed included a revision of CEMA's quota regulation to meet legal requirements. The regulation changes were basically housekeeping changes.

The signatories meeting discussed a new pricing system for eggs to be considered for implementation at the 1986 signatories meeting. Another proposal for discussion and implementation at the 1986 signatories meeting concerned a variable levy to finance surplus egg removal into the export market.

A request by the Northwest Territories for interprovincial quota under the national egg plan was addressed at the signatories meeting. Most signatories were not in favour of granting the request. The N.W.T. has virtually no production at present and the amount of quota requested was much more than what is required to serve the N.W.T. market.

The signatories also addressed a proposed amendment to the Federal-Provincial Agreement to clarify what eggs CEMA is responsible for and what eggs would fall under the proposed national broiler hatching egg marketing plan. This was a housekeeping amendment which posed no problem for Saskatchewan.

A discussion paper "A Plan for Industry Growth" was distributed to signatories on September 13, 1985. The paper suggested changes to address problems in the industry and was actively being debated at year-end.

The Canadian Turkey Marketing Agency (CTMA)

The Canadian Turkey Marketing Agency (CTMA) Signatories meeting was held on October 3, 1985.

The major item discussed was proposed amendments to the national marketing plan. The CTMA presented a complete analysis of the proposed changes. Extended discussion took place over the issue of the proposed "five-year rolling average" formula for calculating provincial quota shares. Disagreement was noted by Nova Scotia and New Brunswick on the proposed base to be used during the phase-in period.

The amendment was quite complex and it was agreed that signatories would study the complete package and identify areas of concern so that they may be addressed by CTMA officials prior to a vote on the amendment at the signatories meeting on May 29, 1986.